

IN THE MATTER OF:)
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)
 FINE ARTS INSTITUTE OF MISSISSIPPI,) **Administrative Proceeding**
 a non-profit Mississippi corporation) **Number C-08-0322**
 and BILLY JAY MURPHY)
)
)
 Respondents.)

WHEREAS, the Fine Arts Institute of Mississippi, Inc. (“FAIM”), and Billy Jay Murphy (“Murphy”) were Respondents in the Notice of Intent to Revoke Registration and Impose Administrative Penalty issued in this matter by the Securities and Charities Division of the Mississippi Secretary of State’s Office on September 18, 2009; and

WHEREAS, the hearing officer, after hearing testimony and reviewing documentary evidence issued his Opinion on April 5, 2008, a copy of which is affixed hereto as Exhibit “A” and incorporated herein by reference.

I. FINDINGS OF FACT

- A. FAIM failed to maintain its books and records of all of its financial activities.
- B. FAIM's books and records were not available for inspection by the Division.

- C. FAIM engaged in financial transactions not related to the accomplishment of its charitable purpose.
- D. FAIM provided false and misleading information to the Division.
- E. FAIM spent an unreasonable amount of money for management.
- F. Murphy, as a member of the board of directors and as Executive Director, violated his fiduciary duties to FAIM.


II. ORDER

IT IS THEREFORE ORDERED that FAIM pay an administrative penalty of Twenty-Five Thousand Dollars (\$25,000.00). Said penalty is to be paid within thirty (30) days from the date of this Order.

IT IS FURTHER ORDERED that Billy Jay Murphy pay an administrative penalty of Twenty-Five Thousand Dollars (\$25,000.00). Said penalty is to be paid within thirty (30) days from the date of this Order.

IT IS FURTHER ORDERED that FAIM's registration as a charitable organization with the Securities and Charities Division of the Mississippi Secretary of State's Office is hereby revoked.

SO ORDERED, this, the 14th day of April, 2010.


C. DELBERT HOSEMAN, JR.
SECRETARY OF STATE

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